GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5128
ANSWERED ON:26.04.2002
EVASION OF EXCISE DUTY BY COMPANIES
VINAY KUMAR SORAKE

Will the Minister of FINANCE be pleased to state:

(a) whether the Directorate General of Excise Investigation hassounded the Central Board of Excise and Customs of large scale evasion of excise duty by companies selling goods to globally funded projects/institutions like UN, UNICEF, ADB, UNDP, WorldBank, FAO, ILO, and WHO;

(b) if so, the findings thereof; and

(c) the action taken to plug such tax drains?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN)

(a) Yes, Sir.

(b) The finding is that such projects were not eligible for duty exemption but no duty had been paid.

(c) Cases have been booked against the suppliers concerned and CentralExcise formations have been alerted to prevent such duty evasion.